

Date 12/15/87

### ROUTING AND TRANSMITTAL SLIP

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. <u>EAT/DA</u>	<u>CD</u>	<u>12/15</u>
2. <u>A/DDA</u>	<u>Δ</u>	
3. <u>DDA</u>	<u>W</u>	
4. <u>DDA/Registry</u>		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

**REMARKS**

*D/O P received copy.*

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

<b>FROM:</b> (Name, org. symbol, Agency/Post) <div style="border: 1px solid black; height: 50px; width: 100%; margin-top: 10px;"></div>	Room No.—Bldg.  Phone No.  <div style="text-align: center; margin-top: 20px;"> </div>
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**OPTIONAL FORM 41 (Rev. 7-76)**  
 Prescribed by GSA  
 FPMR (41 CFR) 101-11.206

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87-3669X

15 December 1987

NOTE FOR: DDA

SUBJECT: Provisions in Senate Budget Reconciliation Bill and  
Continuing Resolution Affecting Agency Administration.

1. The Senate passed on Friday its version of the Budget Reconciliation Bill (S-1920) and later the Continuing Appropriations Bill (H J Res 395). These two bills implement the agreements reached between the Administration and Congressional leaders on budget reductions and tax increases.

2. Provisions affecting Agency administration contained in S-1920 are:

--A 2% pay increase, capped at the SES 5 level.

--No changes to current lump sum benefits. (The benefit will neither be reduced by 50% nor will the 10 % penalty tax be removed.)

--All Federal cuts to be taken by forcing the Post Office Department to pay for their benefit program, costs which will be passed on by increased postage rates.

3. Provisions in HJ Res 395 impacting on the Agency:

--A 3% Pay increase, capped at the SES 5 level.

--Thrift plan not to be subjected to 401k non-discrimination rules.

--Minor changes to Federal health benefits program, such as, the ability to use the services of qualified social workers.

--Continuation of experimental use of voluntary leave transfers by requiring OPM to establish regulations governing such programs for a period of one year.

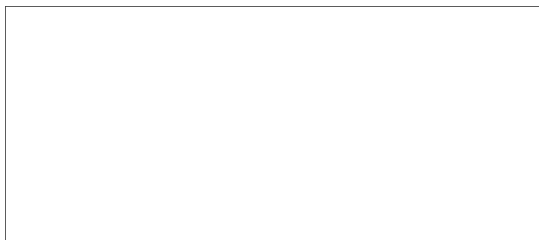
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4. Because there are significant differences between the House and Senate versions on both these bills, there will be a conference, probably completed by the 16th of December. I will keep you posted.

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cc: D/OP  
D/OCA

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